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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF THE AFRICA REGION

IPF:(1987-91) $226 070 000

(RAF/91/801) - African Capacity Building Initiative (ACBI)

Date of approval by the AC:[1/]	3 April 1991
Expected duration:	Four years
Proposed executing agency:	IBRD (for first year only, direct execution by the ACB Foundation thereafter)
Proposed UNDP contribution:	$9 800 000
Total UNDP budget:	$9 800 000 Source of funds: IPF

Project background

The economic crisis in Africa of the 1980's, the resultant scrutiny of economic policies and the implementation of reforms and structural adjustment programme have all highlighted the urgent need for stronger capacities within African countries for the preparation of economic and social policies and for the management of development programmes. As both the ECA's Framework Paper for Africa's Recovery and World Bank's study on Africa's Long-Term Development Prospects are emphasized, sound economic and social policies are a necessary but often not a sufficient condition for long-term economic development. To be effective, these policies must be sustainable. Policy sustainability in turn requires a strong sense of African ownership.

The challenge of building policy analysis and management capacities in Africa is underscored by the substantial resources donors; and African governments have already put into institutional development and, especially, by the disappointing results to date. Overall technical assistance to Sub-Saharan Africa, for instance, increased by 50 percent between 1984 and 1987 and is currently estimated at over $4 billion a year. Approximately 100,000 expatriates are at work across the region, a greater number than at independence.

Description of project

To address the above-mentioned needs, the project, African Capacity Building Initiative (ACBI) is being jointly sponsored by the United Nations Development Programme, the World Bank, and the African Development Bank. The ACBI is aimed at building and strengthening

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[1/] This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

local capacities in policy analysis and development management. It seeks in particular to place investment in human capital and institutions high on the agenda of African governments and donors. To further these objectives, an African Capacity Building Foundation (ACBF) has been established with a Board of Governors setting overall policies, an Executive Board to guide and direct ACBI operations, and a Management Team to define and implement the ACBI work programme.

The Management Team in particular has the principal responsibility to: (a) identify programmes, monitor and evaluate operations and commit ACB Fund resources; and (b) establish and promote a framework to co-ordinate and rationalize capacity building efforts in Africa.

In its work programme, the ACBI will focus on: (i) the rehabilitation and improvement of selected regional and national institutions in order to promote the concept of "centres of excellence"; (ii) the strengthening of policy units in key government ministries; (iii) the provision of fellowships and in-service training; and (iv) the strengthening of local consulting firms.

Recognizing its catalytical role and the complex interplay of factors involved in capacity strengthening, the ACB Foundation will support activities based on a careful assessment of national capacity needs and a strong commitment from beneficiaries, especially governments, in sustaining the capacities being developed. It will also promote in its activities the use of African experts and institutions; and, critically, it will promote a co-ordinated approach to capacity building activities and development practices in Africa.

ACBI activities will also reflect the broader context of promoting policy analysis on both economic and social aspects of development, including a consideration of gender concerns so that a fuller use can be made of all available human resources in Africa.

UNDP assistance will be focussed on the setting up of the ACBI Management Team and implementing the ACBI work programme. The ACBI is viewed as a pilot programme in its initial, four year period. The ACB Foundation will be located in Harare, Zimbabwe; and is expected to comprise most of its staff who will be African.

Inputs

UNDP will provide through the ACBI: (i) An ACB Fund-against a target of $100 million for the initial phase, with approximately $85 million being committed by donors such as the United States, the United Kingdom, Canada, France, Sweden, and Finland. (As the principal sponsors of ACBI, UNDP will provide $9.8 million, the African Development Bank approximately $6 million, and the World Bank $15 million). (ii) Co-financing-whereby donors may support capacity building activities financed by the ACB Fund (The Foundation could take responsibility for overall project design and monitoring; and (iii) Associated programmes-whereby donors design and implement their own capacity-building actions, but inform and liaise with the ACBI in order to enhance co-ordination.

Financial data

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Personnel	6 200 000
Subcontract	600 000
Training	800 000
Equipment	2 200 000
Miscellaneous	
Total	9 800 000

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